



# CONFERENCE 2007 MEDIA RELEASE

## BIOFUELS, ENERGY AND AGRICULTURE: Powering Towards or Away From Food Security?

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### BIOFUELS OF THE FUTURE - SUSTAINABLE FUEL OF CHOICE

The biofuels industry has gone from climate saviour to environmental scapegoat but in the longer-term it has a crucial and sustainable role to play, says Lord Oxburgh, former non-executive chairman of Shell Transport and Trading, and chairman of D1 Oils, a UK-based biodiesel producer.

Lord Oxburgh, a long-standing public advocate of the need to address climate change issues, will today (15 August) address the Crawford Fund annual development conference “*Biofuels, Energy and Agriculture: Powering Towards or Away From Food Security?*” at Parliament House, Canberra.

In his presentation on *The Private Sector Engine for Biofuels*, Lord Oxburgh notes that while the biofuels industry is a young one and its product is not yet price competitive with mineral oils, there is every prospect that in the longer term biofuels will become a fuel of choice on sustainability and cost grounds.

“Looking towards a world in which climate change will make life more difficult for many, and one in which it will be harder to find food and energy for a growing global population, biofuels have a real contribution to make,” he said.

“Biofuels may be superseded for heat and power generation by other renewables and possibly by nuclear fusion. Bioliquids, however, seem likely to be needed as long as we depend on the internal combustion engine.”

“It is right and proper for governments to provide fiscal and regulatory support for biofuels at present, but they should do so in a way that discriminates against those biofuels that are produced unsustainably. The industry cannot continue to rely on across the board preferential treatment,” he said.”

“We need to stop lumping all biofuels together. There are some that are good, and some that are not so good,” said Lord Oxburgh.

“Produced responsibly, biofuels are a sustainable energy source that need not take any land needed for food production; they need not cause environmental degradation; they can help solve the problems of the waste generated by western society; and they can create jobs for poor people where previously there were none. Produced irresponsibly, they at best offer no climate benefit and, at worst, have detrimental social and environmental consequences.”

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“Present day biofuels, which largely come from food crops, do not offer a long-term solution. But looking to the future, the next generation of biofuels will,” he said.

He reported that biofuels have double significance for Australia.

“The northern parts of Australia, particularly northern Queensland and northern Western Australia, have climates that are suited to growing sustainable biofuel crops and they could make a real contribution to energy security for Australia,” he said.

“Australia should also consider its significant role in the region. It is a near neighbour to a number of developing countries with great biofuel potential and Australia is the right platform for launching sustainable biofuel production in those countries.”

“Biofuels are not a complete answer to the world’s energy problems but there is no one silver-bullet solution and it makes sense to use everything we can, including biofuels.”

Looking to the future, Lord Oxburgh reports that there are two main paths to future sustainable biofuels, produced either from specially grown crops or from the by-products of other human activities.

“So-called second generation biofuels will use the organic or plant-derived component of what we have traditionally thrown away as ‘waste’ in urban rubbish, such as cardboard, waste food, grass cuttings etc, agricultural by-products such as straw, forestry trimmings and the like and, ultimately, sewage sludge,” he said.

He noted that on one estimate, the organic content of US urban garbage contains enough energy to meet more than half the fuel needs of all the cars in the country, emphasising the size of the energy resource that we discard.

“The other path to future biofuel is by breeding special crops that can grow on marginal land where food crops would struggle.”

He noted that the common argument against biofuels, which is that there is not enough agricultural land available for them to make a real difference, falls if the biofuel is derived from crops grown on marginal land or from wastes.

Lord Oxburgh gave the example of *Jatropha curcas*, a wild tree that is widely distributed and is used by the company he chairs to make biodiesel.

“The *Jatropha* family includes some other species that are regarded as weeds, so it has on occasion got some bad press.”

“Roughly 1.3 people are needed per hectare of planted *jatropha* and D1 Oils – the company of which I am chairman – estimates that it has already created around 200,000 jobs worldwide. Far from bringing poverty, ‘good’ biofuels can offer people their first opportunity of making a living. They could also make some developing tropical countries self-sufficient in vehicle fuel,” he said.

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